The Chief Executive Officers of
All Scheduled Primary (Urban) Co-operative Banks

Dear Sir,

Section 42(1) of Reserve Bank of India Act, 1934 –
Maintenance of Cash Reserve Ratio (CRR)

Please refer to our Circular UBD (SCB). No. 3/12.03.000/2011-12 dated March 9, 2012
on the captioned subject.

2. As set out in the Reserve Bank's Press Release 2012-2013/452 dated September 17, 2012, it has been decided to reduce the Cash Reserve Ratio (CRR) of Scheduled Primary (Urban) Co-operative Banks by 25 basis points from 4.75 per cent to 4.50 per cent of their Net Demand and Time Liabilities (NDTL) with effect from the fortnight beginning September 22, 2012.

3. A copy of the relative notification UBD.BPD.(SCB).DIR. No. 2/12.03.000/2012-13 dated September 17, 2012 is enclosed.

4. Please acknowledge receipt.

Yours faithfully,

(Kamala Rajan)
Chief General Manager

Encl: 1
Notification

In exercise of the powers conferred under the sub-section (1) of Section 42 of the Reserve Bank of India Act, 1934, and in partial modification of the earlier notification UBD.BPD(SCB).DIR.No.7/12.03.000/2011-12 dated March 9, 2012 the Reserve Bank of India hereby notifies that the average Cash Reserve Ratio (CRR) required to be maintained by every Scheduled Primary (Urban) Co-operative Bank shall be 4.50 per cent of its net demand and time liabilities, from the fortnight beginning September 22, 2012.

(P Vijaya Bhaskar)
Executive Director